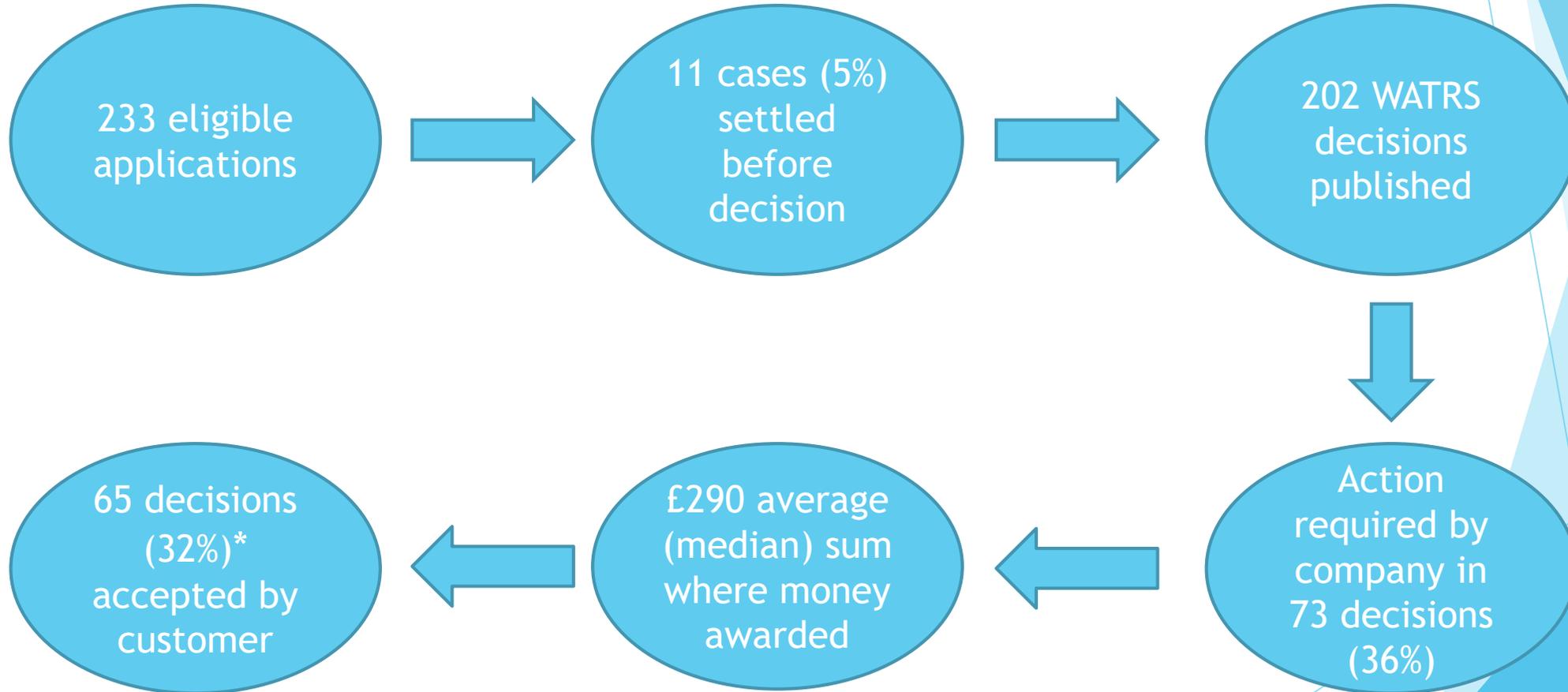


# WATRS: SUMMARY OF CASES

1 April 2017 - 31 March 2018

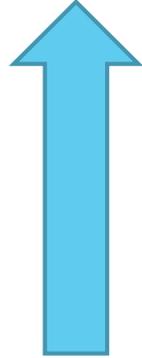
WATRS Independent Oversight Panel

# OVERVIEW OF NUMBERS



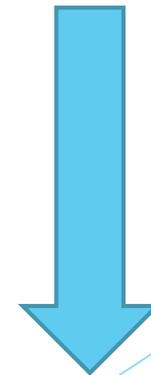
\*But 79% of *Action Required* decisions were accepted by the customer!

# CHANGES FROM 2016-17 TO 2017-18



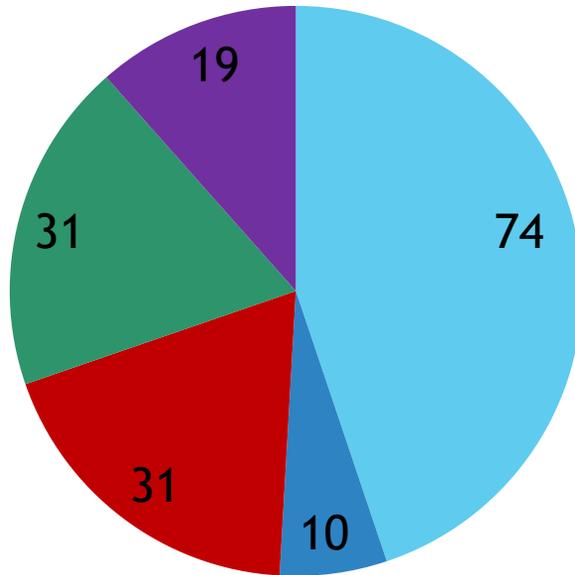
- Total eligible applications up by 15%
- Number of applications from non-household customers (usually businesses) up from 31 to 56

- Proportion of cases settled down from 11% to 5%
- Proportion of cases where action required by company up slightly from about 32% to 36%
- Customer acceptance up slightly from 30% to 32%



# OVERVIEW BY SUBJECT : Household

## Decisions issued



■ billing & charging

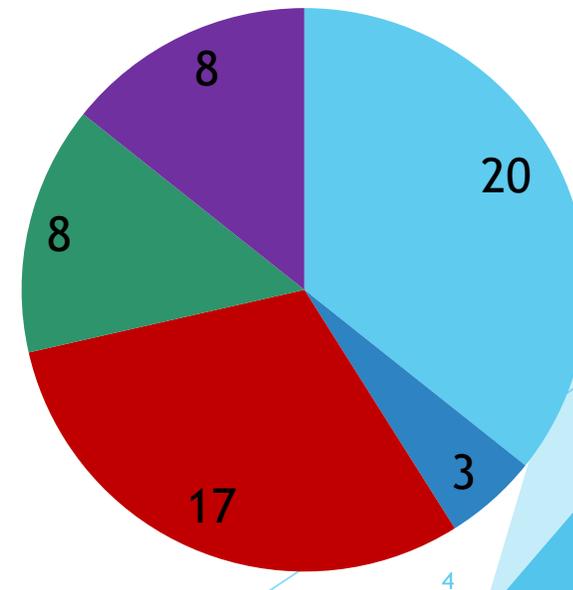
■ metering

■ sewerage

■ water

■ other

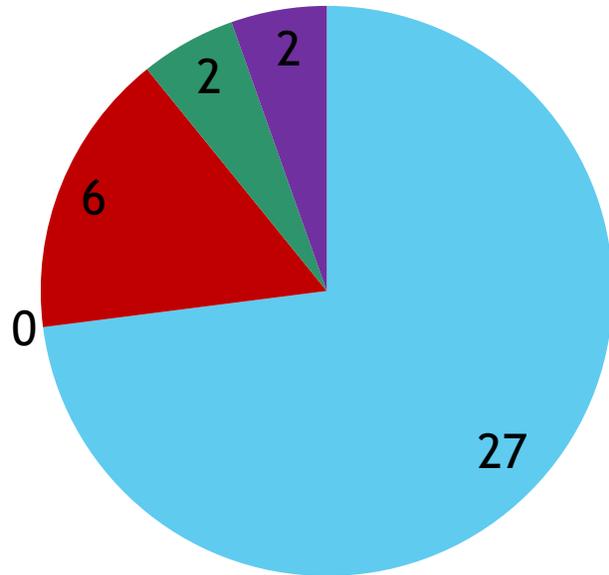
## Decisions where actions required



4

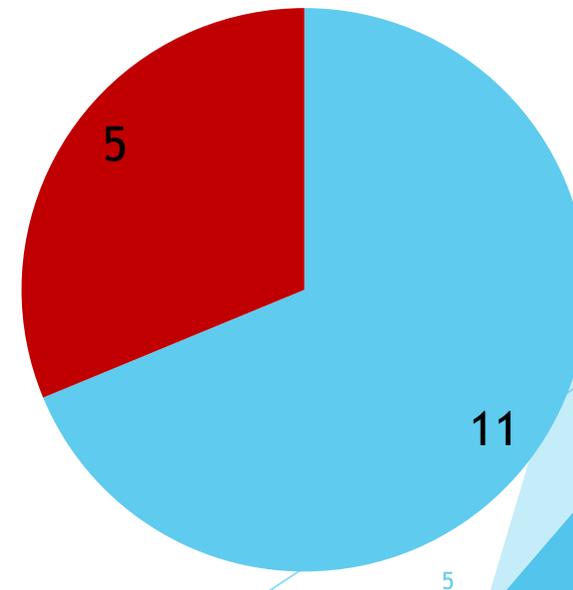
# OVERVIEW BY SUBJECT : Non-Household

## Decisions issued



- billing & charging
- metering
- sewerage
- water
- other

## Decisions where actions required



Note:  
No decisions issued: metering  
No actions required: water or other

# MORE ABOUT REDRESS

- **73** decisions where action required by company (57 for households and 16 for non-households)
  - **39 monetary\*** award only
  - **19 monetary award plus other action**
  - **15 non-monetary only**
- **12 monetary awards over £1000**
- **£290 average (median) sum for monetary awards** (£271 for households and £512 for non-households).
- **Total monetary awards £49,575** (£31,771 for households and £17,804 for non-households).

\* 'monetary' excludes cases where amount not known as company directed to calculate correct refund or rebate

# DISTRESS & INCONVENIENCE AWARDS

- 23 decisions included awards for Distress and Inconvenience (18 for households, 5 for non-households)
- This is one third of the cases where the company was told to take action to put things right for the customer
- Total of £17,496 had to be paid for Distress and Inconvenience (£12,463 for households and £5,006 for non-households)

# WATRS in context

	2015 -16	2016 -17	2017 - 18
Written complaints to companies (household customers)*	106, 839	95,274	
Written complaints to companies (non-household - businesses)+	12,229	11,722	14,885
Complaints to CCWater** +	HH: 9,086 NHH: 883	HH: 7,891 NHH: 824	HH: 6,433 NHH: 2780

\*CCWater: Complaints to Water Companies England and Wales April 2016 – March 2017. <https://www.ccwater.org.uk/wp-content/uploads/2017/09/CCWater-annual-complaint-report-2017.pdf> . Full data for 2017-18 not yet available but see CCW Head of Customer relations report <https://www.ccwater.org.uk/wp-content/uploads/2018/08/2017-18-Year-End-Report-on-Complaints-and-Enquiries.pdf>

\*\*End of Year Complaints and Enquiries Report 1 April 2016 – 31 March 2017;

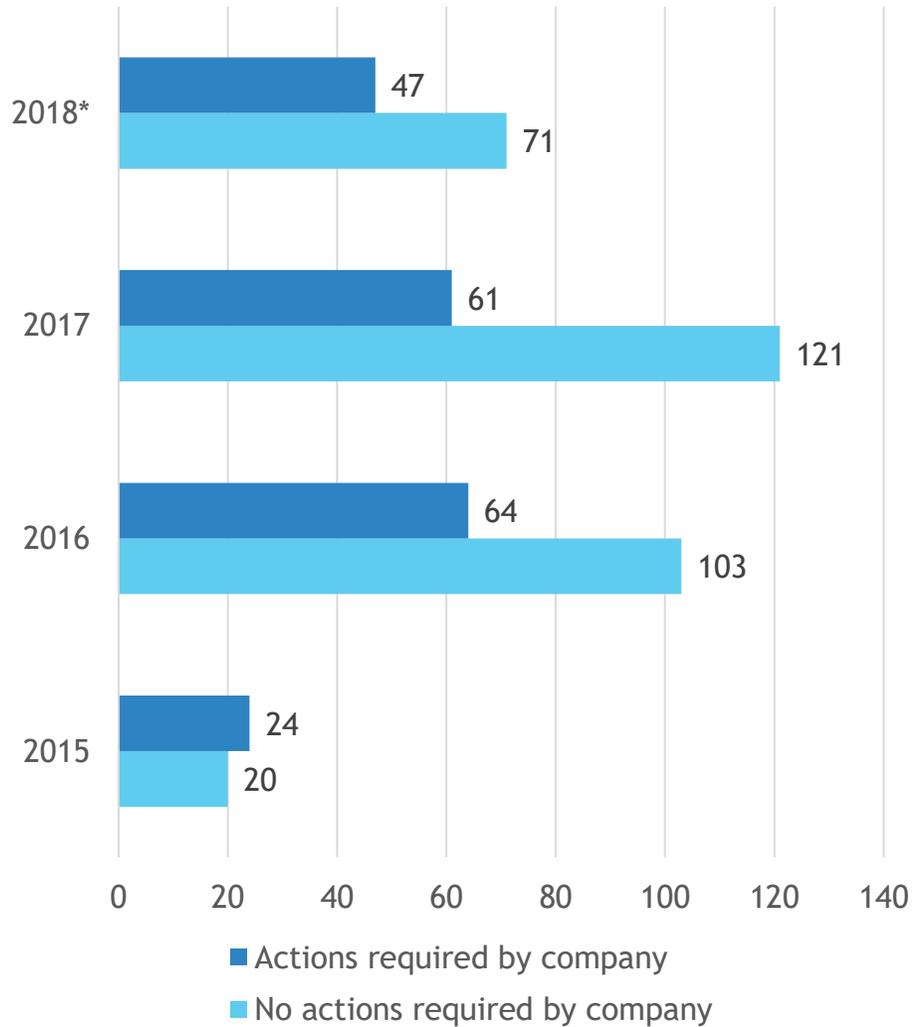
+NHH complaints to water retailers, companies in Wales and CCWater 1 April 2017 – 31 March 2018

<https://www.ccwater.org.uk/wp-content/uploads/2013/12/Consumer-Council-for-Water-2016-17-Year-End-Report-on-Complaints-and-Enquiries.pdf>

<https://www.ccwater.org.uk/wp-content/uploads/2018/07/Non-household-complaints-report.pdf>

# Decisions and customer responses since WATRS began

## Outcomes



## Customer responses



\* 2018 figures to end May

## Case studies: why these?

- ▶ Most WATRS case are about billing and charging. In our previous summary, published in 2017, we showed examples of billing and charging complaints where WATRS awarded the customer relatively high compensation.
- ▶ This time, for contrast, most of the case studies on the next few slides show complaints about other things - such as flooding.
- ▶ In all of the case studies, WATRS asked the company to take some action for the customer.
- ▶ In several of the case studies there was a big gap between the amount of compensation which the customer asked for and the amount which WATRS awarded. This suggests that some customers had ambitious expectations and perhaps had not been aware of the examples and compensation guidelines which WATRS has published.
- ▶ In several cases, even though the company was not responsible for the original problem (such as flooding or bad smells), it still had to pay compensation for poor customer service such as delays in investigating or poor communication.

## Case study: other - surface water

-- customer claimed £2664 for the cost of drainage & landscaping and asked for an apology from the company.

### Complaint overview

The customer complained of excess water in his garden. Over a period of two years both he and the company carried out tests to determine the source of the water, in particular whether it came from the company's pipe and sewer network or from natural causes i.e. from ground or rain water. The company found and repaired some leaks on its network but the problem remained. The customer installed drainage and landscaping to cover it.

### Outcome and findings

This case involved a considerable amount of technical evidence. The adjudicator decided 'on a balance of probabilities' that the company had contributed to the water in the customer's garden until it made repairs but the remaining water was surface water or ground water due to the location of the garden and gravity. The company had been reasonably timely with its investigations except for a delay of a few weeks in relining a sewer after a dye test showed leakage in the customer's garden.

### Remedy awarded

An apology - for delay in relining a sewer to stop seepage which caused a relatively small part of the customer's problem.

## Case Study: sewerage - flooding

- customer asked for £8400 compensation, an apology & an explanation of why sewer repair done in the way in which it was. Company had made or offered to make goodwill payments totalling £1500.

### Complaint overview

**Low water pressure:** Company replaced customer's supply pipe and acknowledged that contractors did not clean up properly afterwards & were rude to customer. Company had offered £100 as a goodwill gesture but customer declined.

**Recurring sewer blockages:** Customer reported overflowing manhole April 2016. Collapsed section of sewer identified but workable solution not identified until Sept 2016 and works not completed until March 2017. Customer intermittently not able to use toilet during this time.

The company acknowledged customer service failings and offered £1500 compensation. It cancelled both water & sewerage charges for 2015/16. But it did not explain to the customer that it would still collect previous debts.

### Outcome & findings

The company had failed to clean up properly after the supply pipe was replaced. The sewer issue should have been resolved sooner -11 months was unreasonable. The customer was elderly and disabled and had to contact the company on a number of occasions. Taking account of account credits already given, WATRS decided that the company's offer of £1500 was fair and reasonable.

### Actions required

Pay £1500 compensation and apologise for the distress and inconvenience caused.

**Case study: sewerage - environmental** - customer asked for compensation of £10,500 (£2,500 for time dealing with issue, £5000 for distress for failing to identify & resolve problem quickly; £230 travelling expenses to visit toxicologist & £2700 for eating out) & a direction that their sewerage system should be separated from their neighbour's. The company had made no offers to the customer.

### **Complaint overview**

The customer complained about smells from the sewer. The company investigated and found a blockage in the public sewer which was removed but the problem continued and affected the family's health. A neighbouring property had a private sewage pumping station (SPS) which was ultimately identified as the source of the problem. The company installed gas monitors and moved the connection point for the neighbour's sewer. The situation improved but customer wanted the company to install separate drainage and/or venting. Company said that it could not justify the cost.

### **Outcome**

The company could not have been expected to resolve the issue at first complaint but it should have been more pro-active with the neighbour about the private SPS. There was no evidence the company took legal advice or took a strategic view of the situation - staff simply assumed that the company was not liable.

Failure to offer gas monitoring at an early stage showed a lack of concern for customer's health & safety that an average person would not expect of a sewerage company.

Although it was not responsible for the cause of the smell nuisance, the company had caused the customer distress & inconvenience by not responding adequately. The complaint was 'one of the most serious category of cases' because it had affected the health of 3 people for an extended period & the customer's daughter had to move out.

### **Actions required**

Company to pay the customer £2000 for distress & inconvenience, £60 travel costs & £300 for eating out. The company should think again about separate drainage and write to the customer to explain its decision.

**Case Study: billing/charging - accuracy**- the customer claimed £25,000 compensation to be paid to a charity of his choice, an apology & a letter about where he should pay his bills. The company had made payments to customer totalling £35 and offered further compensation which the customer had not accepted.

### **Complaint overview**

A business customer switched his supplier. He sent a cheque for his account to his original supplier in February but it was not credited to his new account until April. The new supplier started debt recovery proceedings in March before the cheque had been credited. The new business supplier agreed that it had given the customer a poor service and offered £180 for specific failings & £100 for stress.

### **Outcome & findings**

The new business supplier had made mistakes when it transferred the customer's account from his original supplier and the customer was not told who to pay the account to.

### **Remedy awarded**

Company to apologise and pay the customer the £180 already offered and £150 for the stress caused by the errors & misleading advice.

Note: Under Scheme Rules - no power to direct the company to make a charitable donation.

## Case study: sewerage – infrastructure

- customer asked for £14,600 compensation for costs & unspecified amount of compensation for various customer service failures. The company had paid £540 compensation.

### Complaint overview

Whilst building an extension to her property, the customer uncovered broken drain pipes which were causing flooding. The company advised the customer to apply for permission to connect into the public surface water sewer, which the company gave. The customer made the connection and installed a pump to deal with flooding. More flooding occurred. Company then started investigations and concluded that the most likely cause of the flooding was ground water. As ground water should not be pumped into a surface water sewer, the company told the customer she could not use the surface water sewer after all.

### Outcome

Company was correct in not allowing the connection but the customer was entitled to rely on the information which the company gave her previously. Had the company investigated source of flooding before encouraging her to connect to the public surface water sewer, the customer would not have incurred unnecessary costs in making the connection.

The company accepted that it had provided poor service (delays in site inspections, missed appointments) and had paid £540 compensation and offered to design & build a water feature in the customer's garden (value £300-£500) as gesture of goodwill.

### Remedy awarded

The compensation payments of £540 already paid by the company for poor service were fair and reasonable but WATRS told the company to pay the customer an extra £3780 - the cost incurred by the customer in making the unnecessary connection to the public sewer. The customer also asked for the costs of putting in an alternative solution to deal with the ground water flooding issue (£10,800) but WATRS did not award this as they were costs the customer would have incurred anyway.

## Case study: water - infrastructure

- customer complained of high bills, the company replaced the customers meter a number of times between 2009 - 2014. Customer claimed £10,000 compensation & an apology. The company offered £550.

### Complaint overview

The customer thought that his bills were too high and he might have a faulty water meter. The company replaced the meter 4 times between 2009 -2014. When the meter was first replaced in 2009 the customer was told there might be leakage on his private pipework. The customer continued to get 'high' bills and stopped paying. In 2015 the company replaced the customer's private pipework, recalculated his bill and gave a leakage allowance but customer said that he was unable to understand the calculations and stopped paying his bills. Because he stopped paying his credit record was affected. The customer asked for compensation for this and the company paid £100 and offered a further £550 as a gesture of goodwill for customer service failures.

### Outcome

There were failings in the company's level of customer service and a breakdown in communications. The company should have explained that the root cause of the high bills was leakage on the customer's private pipework. As the repeated replacement of the meter had not solved the high bills the company should have 'been able to diagnose the issue more effectively instead of repeating the same unsuccessful actions'.

Taking account of all of the actions taken by the company, the offer of a further £550 compensation was fair and reasonable.

### Remedy awarded

Company pay to the customer £550 as offered and apologise.

**Case study: sewerage – flooding** - customer asked for compensation of £11,618. The company had paid £60 & offered a further £280.

### **Complaint overview**

Customer complained of sewer flooding. The company investigated and found that the most probable cause was the alterations made by the customer to her surface water drain. A further dispute arose between company & customer as to who should pay for fixing the customer's surface water drain - company said it would do the work but at customer's cost; customer wanted company to meet the cost.

### **Outcome**

The customer had not shown any failure by the company to maintain its pipes (clean or waste) or to properly investigate issues relating to them. The company's position regarding the costs of fixing the customer's surface water drain was reasonable. But it took a long time to establish the likely cause of the flooding. There were delays by the company including delayed and cancelled site visits, a lack of response to customer's emails and she was not kept clearly informed about inspections and tests. There were also delays on the part of the customer.

The payment of £60 already made and offer of further £280 was fair & reasonable

### **Remedy awarded**

Company pay £280 to customer

**Case Study: billing/charging** - Customer asked for £10,000 compensation, an apology & a requirement that companies notify price increases by post. No settlement offers were made by the company.

### **Complaint overview**

Customer complained that his bills had been going up every 6 months - he lived alone and did not use a lot of water as he was usually away from the property between 9am-10pm. When the customer moved into property he did not provide an actual meter reading and was charged on an estimated start reading. Actual readings taken later showed low daily usage. The company visited property and found no leakage.

Customer also received receipts from company for an unrelated customer. No explanation provided by company as to why.

### **Outcome**

WATRS said it's hard for the customer to prove he didn't use the water. Instead the burden of proof should be on the company to show that the customer could have used the volume of water billed. The company quoted meter readings to show that the usage was low for a single occupier but did not provide any evidence to support this. The company could have given evidence (both to customer and to adjudicator) to show typical usage by households of 1,2 or 3 occupants.

### **Actions required**

Company to pay the customer £150 and provide a written apology.

## Case Study: sewerage - infrastructure - customer asked for £5400 compensation & an apology. The company offered £230 compensation

### Complaint overview

Customer reported a possible blocked sewer, the company attended on the same day but it then took 4 further visits before the problem was resolved. The customer complained that the engineer did damage in her house when he carried equipment -through; the customer said that she was told by one of the company's engineers that because of her attitude no one would come to her property to fix any problem and that the company's contractor had climbed over her garden fence to gain access to her back garden when the customer was not at home. The company accepted that, however well intentioned, the unauthorised access was not acceptable. The company offered £150 to say sorry for all of the issues and a further £80 for any delays.

### Outcome & findings

CCTV & other technical surveys were required to locate the position of the blockage, and the customer had to be in- so the length of time (3-20 Sept) taken to resolve the blockage was reasonable. However the amount offered by the company (£230) did not sufficiently reflect the level of stress and inconvenience caused by the company.

### Remedy awarded

Company to pay a further £250 in addition to the £230 already offered.

## Case study: sewerage – flooding

- customer claimed £19,500 for uninsured financial losses & £2,500 for distress & inconvenience - company made no offer of settlement

### Complaint overview

Customer reported a sewer blockage September 2015, blockage removed February 2016. The blockage was due to an unknown 3<sup>rd</sup> party cutting into sewer and pouring in concrete. The company denied liability for the blockage. The company promised to pump out the drains surrounding the customer's property while the repairs were taking place. It failed to do on a daily basis, which led to further flooding.

### Outcome & findings

WATRS accepted that company had not caused the blockage itself but did not think the company's response to the incident was good enough service. From the report of the blockage to its final repair took over 5 months - a lot of that time was not justified or satisfactorily explained by the company. If the company had applied different processes and/or decision making in its efforts to repair the sewer a lot of the delay could have been avoided. The company failed to minimise or prevent further damage by not keeping its promise to empty the surrounding drainage system.

### Remedy awarded

Company to pay customer £10,773 compensation.